



4 MAY 1957

Honorable Glin D. Johnston
Chairman
Committee on Post Office & Civil Service
United States Senate
Washington 25, D. C.

Dear Mr. Chairman:

I refer to your letter of 25 March 1957, requesting the comments of this Agency on S. 1683, a bill "To reduce the number of Government employees by prohibiting the filling of certain vacancies and to establish a ceiling on Government employment."

As we interpret this bill, the Director of the Bureau of the Budget is given complete discretionary power to assign to the various Federal agencies the percentage which they must individually assume to insure Government-wide compliance with the 25% restriction on hiring to fill vacancies in any given quarter. We are therefore not in a position to comment specifically as to the impact which this bill might have on this Agency.

On the assumption, however, that the Director of the Bureau of the Budget would apply the restriction on an equal percentage basis to all agencies, we can foresee serious difficulties. Although these difficulties would relate to all categories of personnel, the problem would be particularly acute in the clerical field. Experience of recent years has indicated that we lose a substantially higher percentage of clerical personnel on the average than we do of other types. Given this fact, if we were forced to undergo a reduction by attrition as provided under Section 2 of this bill, we would soon find ourselves in a position where a shortage of clerical personnel

would seriously reduce the effectiveness of the Agency. For this reason we are opposed to the passage of S. 1683.

The Bureau of the Budget interposes no objection to the submission of this report.

Sincerely,

SIGNED

Allen W. Dulles
Director

Concurred in by -
General Counsel
Personnel
Comptroller
Inspector General

IG/LC:NSPaul/blc (25 Apr. 57)
Orig. & 4 - Addressee
1 - Roger Jones/Bur. of Budget
1 - DDCI
1 - DCI
1 - ER
2 - Legis. Counsel w/basic ✓
1 - General Counsel
1 - Personnel
1 - Comptroller
1 - DD/S

*cpc
ddc l
1 May 57*

ER-9-2681

19 April 1957

Mr. Roger W. Jones
Assistant Director for
Legislative Reference
Bureau of the Budget
Washington 25, D. C.

Dear Mr. Jones:

This Agency has been requested by Chairman Johnston of the Senate Post Office & Civil Service Committee to comment on S. 1683, a bill "To reduce the number of Government employees by prohibiting the filling of certain vacancies and to establish a ceiling on Government employment."

Attached hereto are five copies of a proposed reply from this Agency. We would appreciate your advice as to whether or not this reply is acceptable to the Bureau of the Budget.

Sincerely yours,

Norman S. Paul
Legislative Counsel

Attachment
IG:LC:NSPaul/blc
Orig. & 1 - Add.
2 - Signer ✓

SECRET

(SENDER WILL CIRCLE CLASSIFICATION TOP AND BOTTOM)

**CENTRAL INTELLIGENCE AGENCY
 OFFICIAL ROUTING SLIP**



TO		INITIALS	DATE
1	DIRECTOR OF PERSONNEL		
2	CHIEF, MANAGEMENT STAFF		
3			
4			
5			
FROM		INITIALS	DATE
1	DEPUTY DIRECTOR (SUPPORT)	<i>PMW</i>	28 Mar 57
2			
3			

- | | | |
|--|--|------------------------------------|
| <input type="checkbox"/> APPROVAL | <input type="checkbox"/> INFORMATION | <input type="checkbox"/> SIGNATURE |
| <input checked="" type="checkbox"/> ACTION | <input type="checkbox"/> DIRECT REPLY | <input type="checkbox"/> RETURN |
| <input type="checkbox"/> COMMENT | <input checked="" type="checkbox"/> PREPARATION OF REPLY | <input type="checkbox"/> DISPATCH |
| <input type="checkbox"/> CONCURRENCE | <input type="checkbox"/> RECOMMENDATION | <input type="checkbox"/> FILE |

Remarks: 1. Please coordinate this with the Chief, Management Staff and prepare a proposed reply for my consideration by Thursday, 4 April.

SECRET

CONFIDENTIAL

UNCLASSIFIED

TRANSMITTAL SLIP DATE *3/26/57*

TO: *DD/S*

ROOM NO. BUILDING

REMARKS:
Request comments within a couple of weeks as we must clear any proposed reply with the Budget Bureau.

STAT _____

FROM: _____ **SEL**

ROOM NO. BUILDING EXTENSION

DB

57-1002

A. S. MIKE MONRONEY, OKLA.	FRANK CARLSON, KANS.
THOMAS C. HENNING, JR., MO.	WILLIAM E. JENNER, IND.
W. KERR SCOTT, N. C.	WILLIAM LANGER, N. DAK.
RICHARD L. NEUBERGER, OREG.	THOS. E. MARTIN, IOWA
FRANK CHURCH, IDAHO	CLIFFORD P. CASE, N. J.
JOSEPH S. CLARK, PA.	THRUSTON B. MORTON, KY.

United States Senate

COMMITTEE ON POST OFFICE
AND CIVIL SERVICE

March 25, 1957

*For info on the Budget
Case 146 X Re...*

Executive Reentry
9-1899

STAT

STAT

Honorable Allen W. Dulles
Director of Central Intelligence
Central Intelligence Agency
Washington 25, D. C.

Dear Mr. Dulles:

S. 1683 (attached for your information) has been referred to the Senate Post Office and Civil Service Committee for consideration.

Your views and comments on this proposal are requested not later than 30 days after receipt of this letter.

Please forward your reply (five copies) to Room 134, Senate Office Building.

Sincerely yours,

Olin D. Johnston
Chairman

Enclosure

85TH CONGRESS
1ST SESSION

S. 1683

IN THE SENATE OF THE UNITED STATES

MARCH 21, 1957

Mr. JOHNSTON of South Carolina introduced the following bill; which was read twice and referred to the Committee on Post Office and Civil Service

A BILL

To reduce the number of Government employees by prohibiting the filling of certain vacancies and to establish a ceiling on Government employment.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That during any period beginning after June 30, 1957, in
4 which the aggregate number of full-time civilian officers and
5 employees (including the full-time equivalent of part-time
6 employment) in the executive branch of the Government
7 exceeds two million one hundred and twenty-five thousand,
8 no vacancy in any office or position in any department
9 or agency in the executive branch of the Government shall be
10 filled except pursuant to a determination of the Director of

1 the Bureau of the Budget (hereafter referred to as the
2 "Director") under section 2.

3 SEC. 2. The Director shall make continuing studies of
4 the personnel needs of the various departments and agencies
5 of the Government during any period referred to in the first
6 section of this Act, and shall determine which of the vacan-
7 cies occurring in such departments and agencies may be
8 filled. Such determinations shall be so made that the aggre-
9 gate number of vacancies filled during any calendar quarter,
10 beginning with the quarter ending September 30, 1957, in
11 the executive branch of the Government, shall not exceed 25
12 per centum of the aggregate number of vacancies occurring
13 during such quarter. The determinations of the Director
14 under this section shall be made on the basis of the relative
15 needs of the various departments and agencies for personnel,
16 having in mind the importance to the national health, secu-
17 rity, and welfare of their respective functions and activities.
18 Such determinations may be made by such appropriation
19 units or organization units as the Director may deem appro-
20 priate.

21 SEC. 3. The Director shall maintain a continuous study
22 of all appropriations and contract authorizations in relation
23 to personnel employed and shall reserve from expenditure
24 the savings in salaries and wages resulting from the opera-

1 tion of this Act, and any savings in other categories of ex-
2 pense which he determines will result from such operation.

3 SEC. 4. The departments and agencies in the executive
4 branch shall submit to the Director such information as may
5 be necessary to enable him to carry out his functions under
6 this Act.

7 SEC. 5. The Director shall submit to the Senate and
8 the House of Representatives at the end of each calendar
9 quarter, beginning with the quarter ending September 30,
10 1957, a report of his activities under this Act.

11 SEC. 6. This Act shall not apply to casual employees,
12 as defined by the Director, to employees employed without
13 compensation, to offices filled by appointment by the Presi-
14 dent by and with the advice and consent of the Senate, to
15 postmasters of the fourth class, or to offices or positions filled
16 by transfer from within the same department or agency.
17 except that such employees, offices, and positions shall be
18 taken into consideration in determining the aggregate num-
19 ber of officers and employees for the purposes of section 1.

20 SEC. 7. Nothing in this Act shall supersede or modify
21 the reemployment rights of any person under section 9 of
22 the Universal Military Training and Service Act or any other
23 provision of law conferring reemployment rights upon per-
24 sons who have performed active duty in the Armed Forces.

85TH CONGRESS
1ST SESSION

S. 1683

A BILL

To reduce the number of Government employees by prohibiting the filling of certain vacancies and to establish a ceiling on Government employment.

By Mr. JOHNSTON of South Carolina

MARCH 21, 1957

Read twice and referred to the Committee on Post
Office and Civil Service